## **Introduced by Senator Ortiz**

February 11, 1999

An act to add Section 42238.25 to the Education Code, relating to school district attendance.

## LEGISLATIVE COUNSEL'S DIGEST

SB 376, as introduced, Ortiz. School districts: declining enrollment: military base closures.

Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county for each fiscal year. Existing law authorizes a school district that experiences a decline in units of average daily attendance (ADA) in excess of 8% due to a military base closure elect to receive adjustments to its ADA calculation to ameliorate the effects of the decline in enrollment. Existing law requires the school district to repay the State School Fund the amount augmented as a result of the adjustment pursuant to a 10-year schedule.

This bill would, notwithstanding any other provision of law to the contrary, make a school district that would experience a temporary decline in enrollment due to a closure of a military facility that will be offset by projected future enrollment growth, eligible for an adjustment to its ADA to provide bridge funding until fiscal year 2006–07, pursuant to a prescribed calculation.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 42238.25 is added to the Education Code, immediately following Section 42238.2, 3 to read:

- 42238.25. (a) The Legislature finds and declares all of the following:
- 6 (1) The closure of a military base can result in a severe decline in enrollment that is outside of a school district's 8 ability to control.
- (2) When enrollment declines sharply, a school district 10 might reduce its marginal expenditures, such as for teachers, without affecting the quality of its educational 12 program, but reducing its total expenditures 13 proportion to the decline in enrollment could result in the 14 closure of one or more schoolsites or significant 15 reductions in educational programs.
- (3) A school district that experiences a temporary 17 decline in enrollment due to a recent military base 18 closure may be required to make significant expenditure 19 reductions that could damage the educational program, 20 notwithstanding the fact that the school district may be 21 projected to experience enrollment growth in the near 22 future due to a high level of new residential construction 23 or otherwise. Without supplemental funding, the school 24 district would be forced to reduce expenditures in this instance only to restore the expenditures within a few years.
- (4) It is appropriate state policy to provide a school district described in paragraph (3) with "bridge" funding during the short period of enrollment loss so as to protect 30 the school district's educational program from temporary reductions that would damage the educational program.
- 32 (b) Notwithstanding any other provision of law to the 33 contrary, the Superintendent of Public Instruction shall, 34 for each eligible school district as set forth in subdivision 35 (c), do all of the following:
- (1) Determine the average daily attendance for the 36 37 school district for the 1999–2000 fiscal year pursuant to 38 Section 42238.5. For the purposes of this section, this

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average shall be known as the base year average daily attendance.

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- (2) For each year, beginning in fiscal year 2000-01 and 4 continuing until fiscal year 2006–07, or until the district's average daily attendance exceeds its base year average daily attendance, subtract the average daily attendance determined pursuant to Section 42238.5 for the then current fiscal year from the base year average daily attendance. If this amount is less than zero, it shall be 10 deemed to be zero.
- (3) Multiply the difference determined pursuant to 12 paragraph (2) by 0.75, and round to the nearest whole 13 number.
- (4) The result determined pursuant to paragraph (3) 15 shall be added to the district's average daily attendance 16 determined pursuant to Section 42238.5 for the then 17 current fiscal year. This result shall not be used for 18 determining the funded level of average daily attendance 19 in any subsequent fiscal year.
- (c) A school district shall be eligible for allocations 21 pursuant to this section if it meets all of the following 22 criteria:
- (1) The school district had at least 5,000 units of 24 average daily attendance in the 1999–2000 fiscal year.
- (2) The school district experienced a loss due to the 26 closure of a military base of at least 8 percent of its 1998–99 average daily attendance.
- (3) The school district is projected generate to 29 increased enrollment from new housing development 30 that will more than offset the loss in enrollment due to the military base closure by the 2006–07 fiscal year.
- (4) The school district has taken significant steps to 32 33 reduce its expenditures during the period of enrollment 34 loss.